

**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY**

	)	
<b>Complaint of Verizon Massachusetts Concerning</b>	)	
<b>Customer Transfer Charges Imposed by</b>	)	<b>D.T.E. 03-74</b>
<b>Teleport Communications of Boston</b>	)	
	)	

**VERIZON MASSACHUSETTS**

**D.T.E. 03-74**

**REBUTTAL TESTIMONY**

**Witnesses:**

**Susan M. Burke  
Becky L. Doerfler  
Thomas Maguire  
Bruce F. Meacham**

**January 16, 2004**

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1    **I.    INTRODUCTION AND QUALIFICATIONS OF WITNESS**

2    **Q.    Who are the witnesses sponsoring this testimony?**

3    A.    The witnesses are Ms. Susan M. Burke, Ms. Becky L. Doerfler, Mr. Thomas Maguire and  
4           Mr. Bruce F. Meacham.

5    **Q.    Are these the same witnesses that sponsored Verizon MA's Direct Testimony filed**  
6           **November 14, 2003?**

7    A.    Yes, with the addition of Mr. Meacham.

8    **Q.    Mr. Meacham, please state your name, business address and title.**

9    A.    My name is Bruce F. Meacham and my office is located at 125 High Street in Boston,  
10           Massachusetts. My position is Group Manager - Service Costs in Verizon's Finance  
11           Department, where I am responsible for economic analyses and cost studies for the  
12           Company's products and services and for providing regulatory support and witness  
13           supervision.

14   **Q.    Please describe your business background.**

15           I joined Verizon in 1972 and have held numerous positions in Outside Plant  
16           Engineering, Marketing, Service Costs and Finance. Since the enactment of the  
17           Telecommunications Act of 1996, I have been responsible for developing various cost  
18           analyzes for wholesale services and UNEs provided by Verizon under the Act. I have  
19           testified before the Rhode Island Public Utilities Commission, the New Jersey Board of  
20           Public Utilities, the Public Service Commission of Maryland, the District of Columbia  
21           Public Service Commission and the Maine Public Utility Commission in support of  
22           Verizon's non-recurring cost model.

23   **Q.    Have you previously testified before the Department?**

1 A. Yes, I testified before the Department on line sharing and DSL conditioning costs in  
2 D.T.E. 98-57, Phase III and on UNE non-recurring costs in D.T.E. 01-20, Part A.

3 **II. SUMMARY**

4 **Q. What is the purpose of this testimony?**

5 A. The purpose is to respond to the Reply Testimony filed by AT&T on December 19, 2003,  
6 with which each of us has become familiar.

7 **Q. In that Reply Testimony, has AT&T offered any evidence demonstrating a**  
8 **legitimate rationale for assessing its Customer Transfer Charges against Verizon**  
9 **MA?**

10 A. No. AT&T has failed to offer any evidence showing that its CTC is just or reasonable.  
11 Verizon MA demonstrated in its Direct Testimony that the only work required of AT&T  
12 when Verizon MA wins one of its customers is that which is necessary to allow Verizon  
13 MA to port the customer's phone number. AT&T does not seriously contest this point.  
14 Rather, AT&T has sought to portray the cost items which allegedly support its CTC as  
15 necessary to allow the number to be ported. AT&T's effort is in vain, because Verizon  
16 MA also demonstrated in its Direct Testimony that it does not charge for porting a  
17 number to AT&T when it loses a customer to AT&T. *See* Verizon MA Direct Testimony  
18 at 14. Nor, to Verizon MA's knowledge, do other carriers charge for local number  
19 porting services in Massachusetts. Consequently, AT&T is not allowed to charge  
20 Verizon MA under its Tariff for performing similar porting services. Moreover, the  
21 Department should consider that if AT&T is allowed to charge other carriers for local  
22 number porting services, then all carriers, including Verizon MA, should be allowed to  
23 charge for similar services, fundamentally shifting the basis on which carriers have  
24 heretofore conducted business with each other.

1           AT&T claims that Verizon MA does charge AT&T for porting services, but it  
2 fails to offer any evidence that supports its assertion. First, AT&T fails to offer any  
3 evidence refuting Verizon MA's testimony that it does not charge AT&T (or any other  
4 CLEC) for a "disconnect and port-out only," which applies when a CLEC wins a Verizon  
5 MA customer but does not need a Verizon MA loop in order to serve the customer. Nor  
6 has AT&T responded to Verizon MA's evidence that the disconnect and port-out only  
7 process is similar to a Verizon "winback" (the situation at issue in this case) because in  
8 each case, the work required of the carrier losing the customer is the same, and the  
9 purpose of that work is to allow the number to be ported. *See* Verizon Direct Testimony,  
10 at 13-14.)

11           Second, AT&T has offered no evidence to support its speculation that Verizon  
12 MA recovers the cost of porting the customer's number through its hot cut rates, with  
13 respect to the relatively few cases in which Verizon MA provides a loop to a CLEC in  
14 conjunction with freeing up the number to be ported. AT&T has pointed to no cost  
15 element (*i.e.* line item) in Verizon MA's hot cut cost study that seeks to charge the CLEC  
16 for porting services. As explained below, there is no such line item; the hot cut cost  
17 study does not include any time for performing porting-related work. Likewise, AT&T's  
18 claim that the services for which it seeks to charge Verizon MA are similar to certain  
19 administrative tasks included in Verizon MA's hot cut cost study ignores the critical fact  
20 that the *purposes* of the two sets of tasks are different. AT&T's work supports the  
21 porting of a phone number, which Verizon MA does not charge for, whereas Verizon's  
22 administrative work included in the hot cut costs studies is necessary to provide AT&T  
23 with access to a loop owned by Verizon MA.

1    **III.    AT&T’S ALLEGED COST ITEMS**

2    **Q:    What evidence has AT&T offered explaining or supporting the cost elements which**  
3    **it asserted, in response to the Department’s Data Request 2-1, justify its CTC?**

4  
5    A.    None. In fact, AT&T’s Reply testimony represents a significant reduction in the scope of  
6    its case. Verizon MA in its Direct Testimony demonstrated that the majority of the work  
7    AT&T allegedly performs when Verizon MA wins a customer from AT&T is neither  
8    necessary to migrate the customer’s service to Verizon MA nor requested by Verizon, but  
9    rather is performed solely to benefit AT&T or its customer. *See* Verizon MA Direct  
10    Testimony, at 8-11 and Exhibit 1. In response, AT&T has admitted that the majority of  
11    the tasks it claimed to perform when Verizon MA wins a customer are “inappropriate” to  
12    support its CTC and that it was “somewhat misleading” for AT&T to assert a right to  
13    payment for that work. *See* AT&T Reply Testimony at 9.

14   **Q.    Please provide more specific information.**

15  
16   A:    AT&T has repeatedly reduced and revised the list of tasks it claims to perform in  
17   response to a Verizon MA “winback” and which allegedly justify the CTC. To begin  
18   with, D.T.E. 1-2 asked AT&T to “submit cost studies to support the CTCs that appear in  
19   Teleport’s tariff No. 1.” In response, AT&T submitted a one-page sheet identifying 45  
20   “tasks that are involved [in the CTC] and the number of minutes required for each,”  
21   including 15 tasks that would be incurred only in certain instances. *See* AT&T Response  
22   to D.T.E. 1-2 and attachment. AT&T claimed this work would take a total of 228  
23   minutes, or almost 4 hours. AT&T later reduced its list of cost items down to 27 items.  
24   *See* AT&T Response to D.T.E. 2-1, Appendix 2, dated October 20, 2003. Finally, in its  
25   Reply Testimony, AT&T admitted that even Appendix 2 overstated its case and that  
26   “there were indeed work steps included in the Appendix that were either inappropriate or

1 somewhat misleading.” AT&T Reply Testimony at 9. Consequently, AT&T has reduced  
2 its claim even further, to a mere 12 items, which AT&T now alleges will require 38  
3 minutes to perform. *Id.*, Attachment 1.

4 **Q: Do any of those 12 cost items provide a just and reasonable basis to allow AT&T to**  
5 **assess its CTC against Verizon MA?**

6  
7 A: No. The purpose behind most of the work AT&T now relies on in support of its CTC is  
8 to allow Verizon MA or another exchange carrier to port the customer’s phone number to  
9 its own switch.<sup>1</sup> As explained in Verizon MA’s Direct Testimony (at 11-13) and below,  
10 Verizon MA does not charge for the similar services it performs when AT&T or another  
11 exchange carrier wins a customer from Verizon MA. Thus, AT&T should not be  
12 permitted to charge Verizon MA for this work. In addition, a few of the tasks that AT&T  
13 continues to rely on are not necessary to port the customer’s number, are of no benefit to  
14 Verizon MA and/or benefit only AT&T or its customer. AT&T cannot reasonably charge  
15 Verizon MA for such work.

16 **Q. Which of the 12 cost items AT&T claims supports its CTC are solely for AT&T’s**  
17 **benefit or are not required to allow the customer’s number to be ported to Verizon**  
18 **MA?**

19  
20 A. Here are three examples from Attachment 1 to AT&T’s Reply Testimony:  
21  
22 ? Section II, step 6 – AT&T claims to run quality checks on its service delivery tasks in  
23 order to insure compliance with industry commitments. AT&T is free to monitor the  
24 quality of its work if it likes, but it is not necessary to allow the customer’s number to  
25 be ported. *See also* Verizon MA’s Direct Testimony, at 9 and Exhibit 1.  
26  
27 ? Section II, step 14 – “Update work activity.” AT&T now claims, for the first time,  
28 that it is particularly important that it keep abreast of any changes in the due date of a  
29 number port for a DS1 customer so that it can properly time a field visit to the  
30 customer’s premises. Of course, no field visit is needed merely to port the number.

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<sup>1</sup> *See e.g.* AT&T Attachment 1, Section I, Step 1 (receive LSR); Section II, step 32 (react to change in due date from ILEC).

1           The purpose of AT&T's field trip is to disconnect and retrieve its equipment at the  
2           customer's premises, to AT&T's benefit only. *See also id.*  
3  
4           ? Section II, step 25 – AT&T claims that it must monitor the customer's number  
5           beginning on the due date of the transfer and for 6 more days to ensure that it does not  
6           release its translations (effectively cutting off service to the customer) until Verizon  
7           MA has ported the number. There is no need for this kind of monitoring. AT&T  
8           could simply release its translations at a standard interval following the due date (as  
9           Verizon MA does), without monitoring whether the number has been ported. Verizon  
10          MA takes full responsibility for customer service following the due date and does not  
11          need, request or want AT&T to perform this work.  
12  
13       **Q.    So AT&T should not be allowed to charge Verizon MA for this work?**  
14  
15       A.    That's right, for two independent reasons. First, this work serves to benefit only AT&T  
16           or its customer, and none of it is necessary to port the customer's number to Verizon MA,  
17           which is the only legitimate function for AT&T to perform in a winback situation. There  
18           is no basis for requiring Verizon to pay for work that it does not need, want or request  
19           and that benefits only the party seeking to charge for it. Moreover, even if AT&T could  
20           somehow convince the Department that these tasks are necessary to port the number, it  
21           still could not charge for them under its Tariff, because Verizon MA does not charge  
22           AT&T for similar services, as demonstrated below and in Verizon MA's Direct  
23           Testimony.  
24       **Q.    Are there any other items within the 12 cost items that are not necessary to allow the**  
25       **porting of the number?**  
26  
27       A.    Yes, although it depends on which version of AT&T's story one believes. AT&T has  
28           rewritten some of the cost items to make them appear to be necessary to porting the  
29           number. Section II, Step 26 in AT&T's Attachment 1 is a good example. As portrayed  
30           in AT&T's Response to the Department's Data Request 2-1, Appendix 2, this cost item  
31           included work to create internal AT&T service orders, after the customer's number has  
32           been ported, in order to retrieve AT&T's equipment from its customer, discontinue



1 billing the customer and remove network cross-connects. Of course, none of this work  
2 has any bearing on porting the number. In its Reply Testimony, however, AT&T has  
3 deleted the references to retrieving equipment and removing cross-connects and replaced  
4 them with a claim that AT&T notifies itself to unlock the E911 database, one of the four  
5 functions AT&T must perform as part of a number port. *See* Reply Testimony,  
6 Attachment 1 at 9.<sup>2</sup> AT&T cannot recover for this cost item, under any description,  
7 because the only wholesale function performed by AT&T in response to a Verizon  
8 winback is the work needed to port the customer's number, and AT&T cannot charge  
9 Verizon MA for that work.

10  
11 **Q. AT&T devotes a substantial amount of its Reply Testimony to explaining the**  
12 **administrative actions it takes in order to allow its customer's number to be ported**  
13 **as part of a Verizon MA winback. Please respond to this testimony.**

14  
15 A. Verizon MA does not dispute that AT&T must perform some administrative tasks when  
16 Verizon wins a UNE-L customer from AT&T. As Verizon MA explained in its Direct  
17 Testimony, AT&T in such event is required to perform four functions, reiterated in part  
18 IV.B, below, in order to allow the customer's number to be ported to Verizon MA.  
19 Verizon MA also does not dispute that AT&T is required to perform some administrative  
20 tasks in order to perform those four functions, such as receiving an LSR from Verizon  
21 MA for the port, responding to supplemental requests on that LSR and so on. AT&T  
22 goes to great lengths to present these tasks as difficult and time consuming. *See e.g.*

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<sup>2</sup> Curiously, AT&T still maintains that this step is also necessary to discontinue its billing of its customer, explaining that "If [it] were not to perform this step, the customer's transfer to Verizon would be more burdensome on the customer, requiring the customer to become involved in resolving the double billing situation." AT&T Reply Testimony, Attachment 1 at 9. In other words, AT&T wants Verizon MA and other carriers to pay AT&T to refrain from double-billing AT&T's own customer for services AT&T has not provided. But AT&T has effectively admitted that this work is intended to benefit its customer, by relieving it of an unwanted burden. That renders this work a classic retail function, for which AT&T cannot bill Verizon MA. Whether it should be allowed to bill its customer for refraining from double-billing it is quite another matter.

1 Reply Testimony at 14-16 (regarding supplements), at 18 (regarding rejecting faulty  
2 LSRs from Verizon MA and also inputting LSRs) and at 20 (regarding expedited orders).  
3 Once again, AT&T's testimony misses the point, which is that all of these tasks, whether  
4 arduous or not, are performed solely to port the number and migrate the customer's  
5 service. Verizon MA too performs these administrative tasks when a CLEC wins a  
6 customer from Verizon MA and needs to port the number. *See* Verizon Direct Testimony  
7 at 12-13 and Exhibit 2. As demonstrated below, Verizon MA does not charge AT&T or  
8 other CLECs for this work, even on those occasions when Verizon MA must reject faulty  
9 LSRs from AT&T or process supplements to postpone or expedite the transfer.

10  
11 **IV. VERIZON MA DOES NOT CHARGE FOR PORTING A**  
12 **CUSTOMER'S NUMBER TO A CLEC WHO HAS WON THAT**  
13 **CUSTOMER'S BUSINESS FROM VERIZON MA.**

14 **A. AT&T has failed to refute Verizon MA's testimony that it does**  
15 **not charge for performing a disconnect and port-out only,**  
16 **which is analogous to the Verizon MA "winback" scenario at**  
17 **issue in this case.**  
18

19 **Q. In its Direct Testimony, Verizon MA explained that it does not charge a CLEC for**  
20 **performing a "disconnect and port out only." What is a "disconnect and port out**  
21 **only" and what does Verizon MA charge for this service?**  
22

23 **A.** Verizon MA applies a disconnect and port-out only process when a CLEC advises  
24 Verizon MA that the CLEC will be taking over service to one of Verizon's retail end  
25 users, but the CLEC does not need to lease a UNE loop from Verizon MA. In that case,  
26 the CLEC will request only that Verizon MA disconnect the end user's service and allow  
27 the end user's telephone number to be ported to the CLEC. Verizon MA does not charge  
28 the CLEC for a disconnect and port-out only, nor does it charge the CLEC for  
29 supplementing its LSR for such services or for expediting such services.

30 **Q. How is a disconnect and port-out only similar to a Verizon winback?**

1  
2 A. In each situation, no carrier is seeking to use another carrier's network to provide service  
3 to the customer. In addition, *the work required of the former carrier and the purpose of*  
4 *that work – to effectuate the migration of service – is the same in each case.* Specifically,  
5 in each case, the former carrier must: (1) populate the 10-digit trigger; (2) notify NPAC  
6 to release the telephone number; (3) unlock the E911 database; and (4) remove the  
7 customer's directory listings. The former carrier has no other tasks to perform, other than  
8 ministerial ones in support of these four functions (*e.g.*, inputting the new carrier's LSR  
9 into the former carrier's computer system, distributing work orders to the appropriate  
10 people etc.).

11 **Q. In its Reply Testimony, at 23, AT&T claims that it is unfair to compare a winback**  
12 **to a disconnect and port-out only because in the former case AT&T performs its**  
13 **work manually. Please comment.**

14  
15 A. AT&T's claim is without merit. It goes only to the cost of providing the services, which  
16 is not at issue in this stage of the proceeding. The issue here is whether the two sets of  
17 services are similar, and therefore whether AT&T is allowed to charge Verizon MA for  
18 its services in porting a number to Verizon MA. The alleged fact that it takes AT&T  
19 longer to perform these services than it takes Verizon MA (perhaps because AT&T has  
20 chosen not to invest in automation) does not render the services different in nature or in  
21 purpose. Verizon MA's comparison of the services thus remains apt; in each case, the  
22 carrier losing the customer must perform only the four functions (plus administrative  
23 support work) required in order to allow the customer's number to be ported to the  
24 winning carrier. Because Verizon MA does not charge for that work, AT&T may not  
25 either.

1   **Q.    On page 19 of its Reply Testimony, however, AT&T claims that Verizon MA does in**  
2   **fact charge for a disconnect and port-out only. Is AT&T’s claim accurate?**  
3  
4    A.    No. AT&T’s claim is seriously misleading. AT&T offers no evidence that Verizon MA  
5           charges for a disconnect and port-out only. AT&T has submitted no Verizon MA tariff  
6           authorizing such a charge, no cost study addressing the rate that should be charged, no  
7           Verizon MA invoice seeking payment for such work. Instead, as evidence that Verizon  
8           MA charges for a *disconnect and port-out only*, AT&T offers a portion of a Verizon MA  
9           cost study for *hot cuts*. See Reply Testimony at 19-20. But by definition, Verizon MA  
10          does not perform a hot cut when it performs a disconnect and port-out only.  
11          Accordingly, even if AT&T were correct that Verizon MA recovers the cost of porting a  
12          number as part of its hot cut rate (which is not true, see below), it is beyond dispute that  
13          Verizon MA does not charge *anything* when it “only” provides porting services to the  
14          CLEC, without providing a UNE loop. Indeed, AT&T admits as much on page 21 of its  
15          Reply Testimony, when it concedes that “To the extent Verizon’s claim [that it does not  
16          recover the costs of porting a number] is true, it is true only in [a] very small fraction of  
17          cases when a CLEC does not need Verizon’s loop.”

18   **Q.    Please comment on AT&T’s claim that a disconnect and port-out only is a rare**  
19   **occurrence, performed only in a “very small fraction” of cases.**  
20  
21    A.    The claim is not accurate. For the last six months in which data is available (June  
22           through November of 2003), Verizon MA processed 15,042 orders for port-outs without  
23           a loop, compared to only 3,737 hot cut orders. See Monthly C2C Guidelines Reports for  
24           June through November, 2003, on file with the Department, metrics PR 9-01 and PR 4-  
25           07. Thus, far from being a “rare” thing, the disconnect and port-out only process  
26           represents *the norm* in Massachusetts. AT&T’s admission that Verizon MA does not

1 charge any fee for “cases when a CLEC does not need Verizon’s loop” thereby concedes  
2 that, in the vast majority of cases, Verizon MA does not recover its costs for providing  
3 the very same porting services for which AT&T now wants to charge Verizon MA.

4 **B. Verizon MA’s hot cut rates do not include the cost of porting**  
5 **the customer’s phone number.**

6 **Q. AT&T alleges (at page 20) that Verizon’s hot cut charge recovers the costs of “the**  
7 **transfer of the customer.” It seems to imply that Verizon MA’s hot cut rates include**  
8 **the costs of porting the customer’s number as well as the physical transfer of the**  
9 **loop. Is AT&T correct?**

10 A. No. Verizon MA’s hot cut rates do not recover any such costs. As the Department  
11 knows, Verizon MA’s hot cut cost studies show for each cost element the time expected  
12 to perform that task, which is then multiplied by an appropriate rate to arrive at the cost  
13 of performing that function. Those times are based on the results of surveys Verizon MA  
14 takes of its employees who perform the functions included in the studies. Verizon MA  
15 intentionally designed and implemented its hot cut cost study surveys to exclude time  
16 spent by its employees on porting activities. As a result, none of the work activities  
17 identified in Verizon’s hot cut cost studies for which work time data were gathered  
18 include the time for the activities Verizon identified in its Direct Testimony as necessary  
19 to port out a loop, *i.e.*:

- 20 (1) adding the 10 digit trigger to a number to be ported,  
21 (2) releasing the TN through NPAC,  
22 (3) transferring the directory listing for that number, and  
23 (4) unlocking the E911 database.

24 In fact, Verizon had to create a new work center, the Local Number Portability  
25 Center (“NPAC”) to process number porting fallout. The NPAC and the work activities  
26 performed in the NPAC are not included in Verizon MA’s hot cut cost studies.

1   **Q.    What evidence does AT&T offer in support of its claim that Verizon MA recovers**  
2   **the cost of “the transfer of the customer,” or porting the customer’s number, in its**  
3   **hot cut rate?**

4   A.    None whatsoever. Instead, AT&T devotes substantial space to arguing that much of the  
5       costs that go into Verizon MA’s hot cut rates are for administrative tasks in managing  
6       and keeping track of the CLEC’s order, not for actually cutting over the wire in the  
7       central office. *See* AT&T Reply at 11-12 and 19-22. This is a mere truism that Verizon  
8       MA does not contest. AT&T’s argument, however, misses the point. Verizon MA is  
9       entitled to recover the cost of this administrative work (including the eight line items  
10      identified by AT&T in its Reply Testimony at 21-22) because the Department has found  
11      that such work is necessary in order for Verizon MA to respond to the CLEC’s request  
12      and provide it with a UNE loop without loss of service to the customer. After all, the hot  
13      cut study example (or portion thereof) submitted by AT&T as Attachment 2 to its Reply  
14      Testimony comes from a Verizon MA *compliance filing* in D.T.E. 01-20. That Verizon  
15      MA recovers in its hot cut charge the cost of performing the administrative work  
16      necessary to provide a loop to a CLEC in no way implies that it also recovers in that  
17      charge the cost of performing the four steps needed to allow the CLEC to port the  
18      number. In fact, as stated above, the time involved in performing those four steps is not  
19      included in Verizon MA’s hot cut cost studies.

20   **Q.    AT&T also alleges that in a winback situation, Verizon MA recovers the costs it**  
21   **incurs in transferring the customer’s service to Verizon MA through disconnect**  
22   **costs included in the charge for the UNE loop. *See* AT&T Reply Testimony at 25-**  
23   **26. Do you agree?**

24   A.    Absolutely not. Once again, AT&T makes the allegation but provides no evidence in  
25       support. In Massachusetts, the disconnect cost is included in the hot cut charge, and as  
26       demonstrated above, it does not include the time devoted to porting services. Moreover,  
27

1 Verizon MA's disconnect cost recovers the cost of disconnecting a UNE loop that had  
2 been leased to a CLEC but that the CLEC no longer needs, and it applies without regard  
3 to whether the customer is also shifting its business to Verizon MA. It applies in  
4 instances in which Verizon MA has not won the customer, such as when a CLEC  
5 customer moves to another state or shifts its business to another CLEC. Conversely, it  
6 does *not* apply in some instances in which Verizon MA does win the customer, for  
7 example when the CLEC had used its own facilities to serve the customer and there is no  
8 Verizon MA loop to disconnect.

9 **Q. How do you respond to AT&T's claim, at 20-21 of its Reply Testimony, that many**  
10 **of the cost elements for administrative work included in Verizon's hot cut study are**  
11 **"the same or similar work activities" to the work AT&T performs when Verizon**  
12 **MA wins a customer from AT&T?**  
13

14 A. The similarity of some of the individual administrative functions is unimportant, because  
15 the *purposes* for which they are performed are very different. Each of the administrative  
16 cost items in Verizon's hot cut study – receiving an LSR for example – is associated with  
17 the CLEC leasing a UNE. In contrast, when Verizon MA wins a customer from AT&T,  
18 Verizon MA does not seek to lease a loop or anything else from AT&T. Thus, while  
19 Verizon MA acknowledges that AT&T must perform some administrative work in a  
20 winback situation – such as receiving an LSR from Verizon MA – the purpose of that  
21 work is not to provide Verizon MA with any service or facility. Rather, the sole purpose  
22 of AT&T's work is to allow Verizon MA to port the customer's number. AT&T is *not*  
23 entitled to recover the cost of that work, because Verizon MA does not charge AT&T  
24 when it performs the same porting services for AT&T – either as a disconnect and port-  
25 out only or in conjunction with a hot cut. Indeed, to the best of Verizon MA's  
26 knowledge, no other CLEC in Massachusetts charges for porting numbers.

1   **Q.   Are all of the cost items included in AT&T's Attachment 1 in fact similar to cost**  
2   **items in Verizon MA's hot cut cost study?**

3  
4   A:   No. For example, the Verizon MA hot cut study submitted by AT&T describes Section  
5       II, step 23 as "On DD, contact CLEC for final authorization to proceed." Under this cost  
6       item, Verizon contacts the CLEC on the due date of the hot cut to confirm that the CLEC  
7       still wishes to proceed with the transfer of the loop. In Attachment 1 to its Reply  
8       Testimony, AT&T has changed this cost item to cover a totally different function. As  
9       revised by AT&T, Section 2, step 23 now reads "On due date, verify that the NPAC  
10      number port create message has been submitted by ILEC." Not only is this task  
11      unnecessary to allow Verizon MA to port the number, it bears no resemblance to the  
12      original cost item in Verizon MA's hot cut study.

13       Also, AT&T seeks to charge Verizon MA for work which AT&T has claimed is  
14      similar to Section II, step 14 in Verizon MA's hot cut cost study. *See* AT&T Reply  
15      Testimony, Attachment 1, at 6. Verizon MA, however, performs no work under this cost  
16      item as part of its hot cut, and charges nothing. *See id.*, Attachment 2 (Verizon MA hot  
17      cut cost study), showing this cost item as "N/A," or not applicable.

18   **V.   AT&T'S PROPOSED CHARGE FOR ALLOWING A DS1**  
19   **CUSTOMER'S NUMBER TO BE PORTED.**

20   **Q:   AT&T's tariff also seeks to charge a CTC (of \$275) when Verizon MA wins a**  
21   **customer that AT&T had been serving with a DS1 loop. Has AT&T offered**  
22   **evidence equating this charge to Verizon MA's hot cut rate or otherwise supporting**  
23   **its alleged right to charge for porting such a customer's number?**

24   A:   No. AT&T has offered no testimony whatsoever in support of its CTC with respect to  
25       DS1 customers. Although AT&T claims its Tariff is intended to be reciprocal and charge  
26       a carrier only when that carrier charges AT&T for similar services, AT&T has identified  
27       no Verizon MA charge which recovers the cost of porting a DS1 customer's number to



1       AT&T. AT&T can't appeal here to its false analogy to hot cuts because Verizon MA  
2       does not perform a hot cut to provide a DS1 loop to a CLEC. Rather, Verizon MA  
3       simply provisions a new loop to the CLEC switch. AT&T has not claimed that Verizon  
4       MA recovers the cost of porting the DS1 customer's number through its non-recurring  
5       rate for DS1 loops, nor has it offered a cost study or any other evidence in support of  
6       such a notion. In fact, the purpose of Verizon MA's NRC for DS1 loops is to recover the  
7       cost of provisioning the loop, not porting the number, and Verizon MA charges this fee  
8       each time it provisions a new DS1 loop, whether a number is also being ported or not.  
9       Because Verizon MA does not charge AT&T for porting services when it loses a DS1  
10      customer to AT&T, AT&T may not charge its CTC for similar services.

11   **Q.   Does this conclude your testimony?**

12   A.   Yes.